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USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Dec. 8—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Dec. 9, through 12:00 midnight Thursday, Dec. 15.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Dec. 8, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price		
Northern Europe Price		60.52
Adjustments:		
Average U.S. spot market location	10.73	
SLM 1-1/16 inch cotton	2.00	
Average U.S. location	0.42	
Sum of Adjustments		-13.15
ADJUSTED WORLD PRICE		47.37 cents/lb.
Coarse Count Adjustment		
Northern Europe Price		60.52
Northern Europe Coarse Count Price		-55.45
		5.07
Adjustment to SLM 1-inch cotton		-4.15
COARSE COUNT ADJUSTMENT		0.92 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Dec. 15.

Charles Cunningham (202) 447-7954

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USDA ALLOWS USE OF ACIDIC SUBSTANCES TO RETAIN COLOR OF FRESH PORK

WASHINGTON, Dec. 12—The U.S. Department of Agriculture announced a final rule effective Jan. 11, 1989, to permit the controlled use of certain acidic substances to maintain the color of fresh pork cuts during normal shelf-life.

"After receiving comments from the public, we have decided to confirm the use of ascorbic acid, erythorbic acid, citric acid, sodium ascorbate and sodium citrate in fresh pork cuts to retain the meat's color," said Lester M. Crawford, administrator of USDA's Food Safety and Inspection Service. FSIS allowed use of the substances under an interim final rule issued in Sept. 1986.

"The use of these substances in the product does not pose a health risk," Crawford said. "Fresh pork loses its color long before it becomes unsafe. The color change makes the product unappealing."

"However, research indicates that when these acidic substances are applied under prescribed conditions, they can be safely used to extend the color and appearance of fresh pork."

Processors, operating under a USDA-approved partial quality control program, are allowed to use the substances in fresh pork cuts. Under these programs, plants establish controls at certain processing steps. USDA inspectors monitor the plant's controls and data to ensure the process is operating correctly.

Product labels will identify the added substances and the reason for their use—for example, "sprayed with a solution of water, ascorbic acid and citric acid to maintain color."

The Food and Drug Administration has approved the use of these acidic substances in foods. Additives intended for use in meat and poultry products must also be approved by FSIS.

USDA received 88 comments on the rule published in 1986. The final rule will be published in the Dec. 12 Federal Register.

Richard Bryant (202) 447-9113

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FARMERS TO EARN BACK REDUCED CRP RENTAL PAYMENTS

WASHINGTON, Dec. 13—Farmers whose Conservation Reserve Program annual rental payments were reduced when they harvested hay from CRP acres can recoup those payments by cost-sharing additional conservation practices on their land, acording to a U.S. Department of Agriculture official.

This applies only to farmers in counties approved for drought relief under the 1988 Disaster Assistance Act, said USDA's Soil Conservation Chief Wilson Scaling.

USDA will provide cost-sharing funds up to 50 percent of the actual cost of the additional conservation practices, not to exceed the amount forfeited when farmers harvested hay on their CRP land.

"Tree planting and field windbreaks as well as permanent habitat and shallow water areas for wildlife are among the eligible practices," Scaling said.

The additional conservation practices are added in the producer's CRP contract and may be applied on the designated CRP acres or on any land on the same tract or adjoining tract of the same farm. Producers must sign up by Dec. 31.

Under the CRP, producers receive annual rental payments to keep highly erodible cropland out of production and planted with a protective cover, including trees. In addition to the annual rental payments, CRP participants also receive up to 50 percent of the cost of establishing the vegetative cover.

More than 25.5 million acres have been enrolled during the first six signups, and 3.4 million acres were bid in the seventh signup. USDA's goal is to bring 40-45 million acres into the program by the end of 1990.

Leslie Wilder (202) 447-3608

#

FmHA APPROVES $2.9 MILLION FOR STATES' FARM LOAN MEDIATION

WASHINGTON, Dec. 13—The U.S. Department of Agriculture's Farmers Home Administration has allocated $2.9 million to 13 states to help finance efforts to mediate farm loan disputes, FmHA Acting Administrator La Verne Ausman said today.

The matching grants from USDA's credit agency were authorized by the Agricultural Credit Act of 1987 and funded by fiscal 1989 appropriations.

"These matching funds should go a long way in helping the states resolve differences between other lenders and farmers who also have credit with us," Ausman said. "They will help make it possible for a neutral, third party mediator to cast a fresh eye on the problem. Many disputes are resolved in this manner."

States qualifying for grants in fiscal 1989 are: Alabama, $110,208; Iowa, $305,000; Kansas, $431,150; Minnesota, $500,000; Mississippi, $75,040; Montana, $75,000; Nebraska, $168,140; North Dakota, $250,000; Oklahoma, $269,870; South Dakota, $97,000; Texas, $500,000; Wisconsin, $87,440; and Wyoming, $25,000.

Ron Ence (202) 447-4323

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Dec. 13—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

—long grain whole kernels, 9.87 cents per pound;
—medium grain whole kernels, 9.08 cents per pound;
—short grain whole kernels, 9.01 cents per pound;
—broken kernels, 4.94 cents per pound.

Minimum loan repayment rates for 1987 crop loans are the higher of the world price or 50 percent of the loan rate. For 1988 crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

—long grain, $6.10 per hundredweight;
—medium grain, $5.69 per hundredweight;
—short grain, $5.44 per hundredweight.

The prices announced are effective today at 3:00 P.M. EDT. The next scheduled price announcement will be made Dec. 20 at 3:00 P.M. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

#

USDA ALLOCATES $90 MILLION FOR TARGETED EXPORT ASSISTANCE

WASHINGTON, Dec. 13—Acting Under Secretary of Agriculture Richard W. Goldberg today announced 38 projects that will receive the $90 million balance of unallocated Targeted Export Assistance funds for fiscal 1989. The announcement completes the allocation of $200 million in TEA resources authorized for fiscal 1989 under provisions of the Food Security Act of 1985 and the U.S. Department of Agriculture appropriations act for fiscal 1989.

The USDA appropriations act for fiscal 1989 reduced the TEA program budget from $325 million to $200 million and provided that $30 million be held in reserve to be released by the secretary of agriculture. The secretary determined that the full $200 million would be allocated for fiscal 1989.

On Aug. 17, USDA announced 46 projects that would receive $110 million in TEA funds for fiscal 1989. The allocation of the remaining $90 million announced today was made on the basis of applications received by the July 11 deadline set in the May 27 Federal Register announcement of the fiscal year 1989 TEA program.

The Food Security Act of 1985 requires that the secretary of agriculture use Commodity Credit Corporation commodities or funds each year through 1990 to provide export assistance to counter or offset the adverse effects of unfair foreign trade practices on overseas sales of U.S. agricultural products.

For additional information and referral to the appropriate program contact, call (202) 447-5521.

The 38 projects are:

Applicant	Product	Allocation in million $
Alaska Seafood Marketing Institute	Salmon	2.70
American Plywood Association	Plywood	5.90
American Soybean Association	Soybeans	2.65
California Avocado Commission	Avocados	0.15
California Cling Peach Advisory Board	Peaches	0.70
California Kiwi fruit Commission	Kiwi fruit	0.25
California Prune Board	Prunes	3.80
California Table Grape Commission	Table grapes	1.35
California Raisin Advisory Board	Raisins	3.00
California Walnut Commission	Walnuts	4.30
Cherry Market Institute of Michigan	Tart cherries	0.15
Chocolate Manufacturers Association	Chocolate	0.90
Concord Grape Commission	Concord grapes	0.50
Cotton Council International	Cotton	7.10
Eastern United States Agricultural And Food Export Council (EUSAFEC)	Regional high-value products	0.60
Export Incentive Program (by application)	Almonds	8.20
Export Incentive Program (by application)	California and Arizona citrus	3.50
Florida Dept. of Citrus	Citrus fruit	2.90
Mid-America International Agri-Trade Council (MIATCO)	Regional high-value products	0.90
Mink Export Development Council	Mink	1.00
National Association of Animal Breeders	Semen	0.10
National Council of Farmer Cooperatives	Grains	0.30
National Forest Products Association	Forest products	4.85
National Peanut Council	Peanuts	3.40
National Potato Promotion Board	Potatoes	2.20
National Sunflower Association	Sunflower seed	0.10
N.W. Horticulture Council Apples	Apples	2.55
N.W. Horticulture Council Cherries	Sweet cherries	0.20
N.W. Horticulture Council Pears	Pears	0.70
Rice Council for Market Development	Rice	2.00
Southern United States Trade Association (SUSTA)	Regional high-value products	0.50
Tobacco Associates	Tobacco	1.35

USA Poltry & Egg Export Council	Poultry/Eggs	4.10
U.S. Feed Grains Council	Feed grains	2.20
U.S. Meat Export Federation	Red Meat	8.10
U.S. Wheat Associates	Wheat	1.90
Wine Institute	Wine	4.00
Western United States Trade Association (WUSTA)	Regional high-*value products	0.90
TOTAL		90.00

Sally Klusaritz (202) 447-3448

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USDA EXTENDS WAIVER FOR COUNTRY HAM PROCESSORS

WASHINGTON, Dec. 14—The U.S. Department of Agriculture will continue to allow producers of dry cured and country hams to use traditional, but not specifically approved, methods for trichina destruction while work proceeds on a new regulation. Country hams and dry cured hams are uncooked, cured, dried, smoked or unsmoked pork products made from solid meat.

"These traditional processing methods have been permitted because they are decades-old methods believed to be effective in destroying trichinae," said Dr. Ronald J. Prucha, acting administrator of USDA's Food Safety and Inspection Service.

"We are researching the safety of traditional trichina control methods, and developing a proposed rule for issuance in early 1989," said Prucha. "After we receive public comments on that proposal, we will develop new regulations," he said.

For more than 50 years, USDA regulations allowed only two trichina-destroying methods to be used in federally-inspected plants that make dry cured and country hams. In 1985, USDA permitted a third treatment method, but found that some dry cured and country ham producers were using methods that did not meet these requirements.

Since no trichina problems had been associated with the products, USDA earlier issued a waiver permitting the continued use of those methods, which were subject to review by FSIS for safety.

Inspection regulations require that ready-to-eat pork products be processed in a way to kill any trichinae that may be present. Trichinae are microscopic parasites that can cause trichinosis, a serious but rare infection in humans associated with eating raw or undercooked pork.

Notice of the most recent extension of the waiver appears in today's Federal Register.

Irene Goins (202) 447-9113

#

USDA ANNOUNCES 1989 NATIONAL PEANUT POUNDAGE QUOTA

WASHINGTON, Dec. 15—The U.S. Department of Agriculture today announced the national poundage quota of 1,440,000 short tons (2,880 million pounds) for the 1989 peanut marketing year. This quota is 37,800 short tons above the quota that was established for the 1988 crop.

As required by the Agricultural Adjustment Act of 1938, as amended, the national poundage quota for the 1989 crop of peanuts has been set at a level that is equal to the estimated quantity of peanuts that will be devoted to domestic edible, seed and related use in the 1989 marketing year which begins Aug. 1, 1989.

The 1989 crop national poundage quota will be allocated to each state based on the state's share of the 1988 crop national poundage quota.

Increases in a state's poundage quota will be allocated among qualifying farms in accordance with prescribed procedures.

In a January 1986 referendum, peanut growers approved poundage quotas for the 1986 through 1990 crops.

Robert Feist (202) 447-6789

#

USDA ANNOUNCES 1989-CROP FLUE-CURED TOBACCO PROGRAM; SETS REFERENDUM

WASHINGTON, Dec. 15—Acting Secretary of Agriculture Peter C. Myers today announced provisions of the 1989 flue-cured tobacco program as follows:

—The national marketing quota for the 1989 crop is 890.5 million pounds, up from the 1988 marketing quota of 755 million pounds.

—The national average yield goal has been increased from 1,989 pounds per acre to 2,088 pounds per acre.

—The support level for the 1989 crop is $1.468 per pound, up 2.6 cents from the 1988 level.

—The national acreage allotment for the 1989 crop is 426,485 acres, up from the 1988 allotment of 379,588 acres.

—For each farm, the 1989 basic quota will increase about 18 percent over 1988, and the basic allotment will increase about 12.5 percent over 1988.

—The effective quota is expected to be about 900 million pounds, or 90 million pounds above the 1988 effective quota.

—The budget deficit assessment will be 0.24 cents per pound, divided equally between producer and buyer. The no-net-cost program assessment will be announced at a later date in a mail referendum to decide whether marketing quotas on an acreage-poundage basis will continue for flue-cured tobacco for the next three years. Quotas will remain in effect if two-thirds or more of the voting producers vote "yes."

Bruce Merkle (202) 447-6787

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USDA ANNOUNCES SUGAR IMPORT QUOTA FOR 1989 QUOTA PERIOD

WASHINGTON, Dec. 15—Acting Secretary of Agriculture Peter C. Myers today announced the U.S. sugar import quota for the 1989 quota period will be 1,125,255 metric tons, raw value, an increase of more than 17 percent compared to 1988.

The total authorized quota shipments of 1,125,255 metric tons is equal to about 1,240,380 short tons, raw value. Total authorized quota shipments are the sum of the specialty sugar quota, the minimum quota allocations, the quota adjustment amount and the base import quota minus certain adjustments in the base import quota.

For the Jan. 1, 1989 to Dec. 31, 1989 period, 6,464 metric tons, raw value (about 7,125 short tons, raw value), is established as the quota adjustment amount; 1,815 metric tons, raw value (about 2,000 short tons, raw value) is established as specialty sugar import quota; and 1,053,000 metric tons, raw value (about 1,160,735 short tons, raw value) is established as the base import quota. In addition, the minimum quota allocation is set at 7,258 metric tons, raw value (about 8,000 short tons, raw value).

The 1989 quota is established in metric tons rather than short tons to meet the requirements of the Harmonized Tariff System, which is scheduled to become effective Jan. 1. Starting with the 1989 quota period, the quota will be measured and administered by the U.S. Customs Service on the basis of metric tons and kilograms rather than short tons and pounds.

The 1989 country-by-country quota allocations were announced today by U.S. Trade Representative Clayton Yeutter. These allocations are as follows (in metric tons, raw value, with the equivalent short tons, raw value, in parentheses):

Country Allocations for U.S. Sugar Import Quota
(Jan. 1, 1989 - Dec. 31, 1989)

	Metric Tons	*Short Tons*
Argentina	45,279	(49,914)
Australia	87,399	(96,343)
Barbados	7,444	(8,205)
Belize	11,583	(12,770)
Bolivia	8,424	(9,288)
Brazil	152,685	(168,308)
Canada	11,583	(12,770)
Colombia	25,272	(27,860)
Congo	7,258	(8,000)

Costa Rica	20,795.40	(22,925)
Dominican Rep	185,328	(204,290)
Ecuador	11,583	(12,770)
El Salvador	30,378.24	(33,488)
Fiji	9,477	(10,449)
Gabon	7,258	(8,000)
Guatemala	50,544	(55,717)
Guyana	12,636	(13,931)
Haiti	7,258	(8,000)
Honduras	19,197.36	(21,118)
India	8,424	(9,288)
Cote D'Ivoire	7,258	(8,000)
Jamaica	11,583	(12,770)
Madagascar	7,258	(8,000)
Malawi	10,530	(11,609)
Mauritius	12,636	(13,931)
Mexico	7,258	(8,000)
Mozambique	13,689	(15,091)
Panama	30,537**	(33,663)
Papua New Guinea	7,258	(8,000)
Paraguay	7,258	(8,000)
Peru	43,173	(47,592)
Philippines	166,374	(183,398)
St. Kitts	7,258	(8,000)
Swaziland	16,848	(18,574)
Taiwan	12,636	(13,931)
Thailand	14,742	(16,251)
Trinidad-Tobago	7,444	(8,205)
Uruguay	7,258	(8,000)
Zimbabwe	12,636	(13,931)

** Panama's quota allocation is not allowed to be shipped at this time. It may subsequently be allocated to other countries with quota allocations, as was done on July 27, 1988.

Sally Klusaritz (202) 447-3448

#

USDA PROPOSES TO AMEND HORSE IMPORT REGULATIONS

WASHINGTON, Dec. 15—The U.S. Department of Agriculture is proposing to amend regulations regarding importation of horses from countries affected with contagious equine metritis (CEM). The change would shorten the time necessary to propose horses for temporary importation.

CEM is a horse venereal disease that affects fertility and breeding. It is tranmitted by sexual contact, so virtually no risk of infection through casual contact exists. USDA officials believe that the horses can be imported safely from countries were CEM exists when specific requirements are met.

"Under the proposed rules, horses would be allowed to enter the United States for no more than 60 days for competitiion without undergoing special testing or treatment for CEM," said James Glosser, administrator of USDA's Animal and Plant Health Inspection Service.

"We are proposing two primary safeguards to prevent transmission of the disease to U.S. horses," Glosser said. "USDA employees would frequently inspect the imported horses whenever they are not in transit, and stringent measures for keeping them apart from U.S. horses would be required except when they were exercising or competing."

Although orses from specified CEM-affected countries are currently allowed to be imported, horses over two years old—the age at which horses are considered to become sexually active—must undergo certain tests and meet specific requirements. Thoroughbred horses from CEM-affected countries are allowed to be imported if requirements regarding the horses' histories are met and certain testing is done.

Under the proposal, an owner or importer would have to supply information that would allow USDA officials to monitor the horse's where- bouts in this country and ensure that it does not transmit CEM to any horse here. In addition, an owner or importer would have to set up a trust fund to reimburse USDA for monitoring services.

The proposal is scheduled for publication in the Dec. 16 Federal Register. Comments on this proposed rule will be accepted until Jan. 17, 1989. They should refer to Docket No. 86-037 and be sent to Regulatory Analysis and Development, APHIS, USDA, Room 728, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

Bonnie Aikman (301) 436-7799

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USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Dec. 15—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Dec. 16, through 12:00 midnight Thursday, Dec. 22.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Dec. 15, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price

Northern Europe Price		61.79	
Adjustments:			
Average U.S. spot market location	10.71		
SLM 1-1/16 inch cotton	2.00		
Average U.S. location	0.42		
Sum of Adjustments		-13.13	
ADJUSTED WORLD PRICE		48.66	cents/lb.

Coarse Count Adjustment

Northern Europe Price	61.79	
Northern Europe Coarse Count Price	-56.78	
	5.01	
Adjustment to SLM 1-inch cotton	-4.15	
COARSE COUNT ADJUSTMENT	0.86	cents/lb.

The next AWP and coarse count adjustment announcement will be made on Dec. 22.

Charles Cunningham (202) 447-7954

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